FISCAL NOTE

TO: Chief Clerk of the Senate

Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: February 27, 1996

SUBJECT: **SB 3163 - HB 3136**

This bill, if enacted, will allow the Department of Transportation to continue to set a maximum rate for overhead cost on design or engineering contracts. Recent passage of the National Highway System Bill in the U.S. Congress requires state legislation for the department to continue this practice.

The fiscal impact of this bill is estimated to have a cost avoidance to the Highway Fund exceeding \$1,000,000 by allowing the department's to continue setting a maximum overhead rate.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James A. Davenport, Executive Director

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